

S E C R E T

INSPECTOR GENERAL

76-3186

20 OCT 1976

Executive Registry

76-374571

DD/A Registry

76-5916

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM : John H. Waller  
Inspector General25X1A SUBJECT : [REDACTED] - Claim for  
Extraordinary Relocation Expenses1. Action Requested:

25X1A You are requested to approve the recommendation in paragraph 4 that the Agency pay [REDACTED] claim and sign the authorizing memorandum (at Attachment 3) to the Deputy Director for Administration.

2. Background:

25X1A [REDACTED] a DDO career officer, served a two-year tour as Chief of Station [REDACTED] from June 1972 to October 1974. In January 1974, he was given a one-year tour extension until June 1975. On 16 August 1974 [REDACTED] was instructed to close the Station by 1 September and return to Headquarters on PCS.

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25X1C

E2, IMPDET  
CL BY 055636

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[redacted] decisions were complicated by a combination of family considerations:

25X1A

His wife had undergone minor surgery late August-early September. There were uncertainties about her post-operative condition and the possible need for additional operations. Faced with these unknowns [redacted] had to arrange for the care of his wife and their five children, on return to the United States. He found that he could neither sell or reoccupy his house in the Washington area on such short notice, which raised serious questions in his mind about housing his family in the Washington area. He found that he could enroll some of his children in private schools in New Mexico, where he had family, the Washington area schools having already started the fall term.

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[redacted] informed Headquarters of his intention to relocate his family to New Mexico and requested a waiver authorizing payment of expenses to New Mexico. Headquarters authorized shipment of household effects to Washington and requested formal justification through official channels for a waiver. [redacted] on 5 October with this matter unresolved.

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[redacted] discussed various claims arising from the Station closure with EUR Division, the ADDO, and the SSA/DDA. Some claims were handled by the Agency as operational costs, but his claim for Home Service Transfer Allowance (\$655.38) was turned down on 23 December 1975 as not allowable under [redacted] (This claim and the memorandum disallowing the claim is at Tab A of Attachment 1).

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Agency administrative officials most familiar with this claim have expressed sympathy with [redacted] situation and have said that the claim should be paid if legally possible. One observed that the claim might be payable under the Director's discretionary authority [redacted] to pay for expenses "arising out of the unusual functions of this Agency..."; however, no action had been taken to consider this claim in this manner. We have consulted with OGC on the legality of payment of this claim. Their response to the detailed report in Attachment 1 and subsequent correspondence is at Attachment 2.

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1. At Tab C of Attachment 1

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3. Staff Position:

25X1A We find that the [REDACTED] claim arose from the abrupt and unforeseen closure of the [REDACTED] Station and the unfortunate coincidence of his wife's medical problems. His [REDACTED], and Headquarters instructions, prohibited his advising the official [REDACTED] and enlisting timely assistance in solving his problem. This resulted in [REDACTED] having to make immediate decisions on arrangements for the care of his wife and children on their return to the U.S. He was unable to make satisfactory arrangements on short notice in Washington while he could do so in New Mexico. He had to relocate to the U.S. before questions concerning these expenses could be resolved by Headquarters.

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25X1A It is clear that, if [REDACTED] had incurred similar expenses in the Washington area, they would have been paid by the Agency under the provisions of [REDACTED] which authorizes allowances "for extraordinary and necessary expenses incident to the establishment of his residence at a post in the United States..."<sup>1</sup> It is [REDACTED] practice to limit payment of temporary lodging allowances under [REDACTED] to claims occurring in the proximate area of the PCS posting. There appears to be no statute or Comptroller General ruling supporting this interpretation and no specific definition of the limits of the "proximate area". OGC has issued the opinion that there is no legal basis for paying this claim, although this appears to be based on a different interpretation of the facts than our investigation has revealed.

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25X1A Alternatively, we believe that payment of this claim could be made either under the provisions of [REDACTED] which permits the DDA to "authorize or approve any emergency, unusual, or additional payment..." or, under the provisions of [REDACTED] which authorizes the DDA to "take final action on any matter arising out of the unusual functions of this Agency..."

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4. Conclusion:

We disagree with the General Counsel's opinion as to the facts in this case. The prohibition on [REDACTED] advising his

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25X1C 1. With the [REDACTED] at Tab C, Attachment 1  
2. At Tab C, Attachment 1

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S E C R E T

25X1C [REDACTED] of his pending change, combined with the precipitous closing of the Station, deprived him of the chance to arrange his transfer on an orderly basis. Under the circumstances of his family requirements, [REDACTED] problem is emphasized by Headquarters' failure to respond to his request for timely advice. We have concluded that [REDACTED] plight resulted from the restraints of his [REDACTED] in combination with other considerations that otherwise would not have produced this situation.

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5. Recommendation:

25X1A That you approve payment of [REDACTED] claim under the provisions of [REDACTED] and sign the memorandum to the DDA at Attachment 3 authorizing this payment.

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John H. Waller

Attachments: a/s

Approved: \_\_\_\_\_ Date: \_\_\_\_\_

25X1A Disapproved: [REDACTED] Date: 11/26/76

E. H. Knoche  
Deputy Director of Central Intelligence

S E C R E T

S E C R E T

25X1C [REDACTED] of his pending change, combined with the precipitous closing of the Station, deprived him of the chance to arrange his transfer on an orderly basis. Under the circumstances of his family requirements, [REDACTED] problem is emphasized by Headquarters' failure to respond to his request for timely advice. We have concluded that [REDACTED] plight resulted from the restraints of his [REDACTED] in combination with other considerations that otherwise would not have produced this situation.

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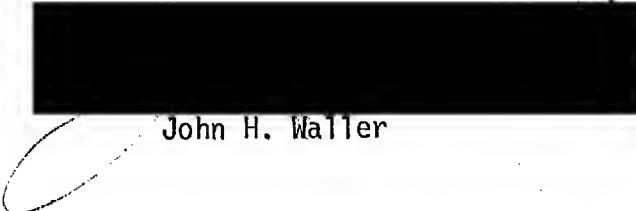
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5. Recommendation:

That you approve payment of [REDACTED] claim under the provisions of [REDACTED] and sign the memorandum to the DDA at Attachment 3 authorizing this payment.

25X1A

  
John H. Waller

25X1A

Attachments: a/s

Approved: \_\_\_\_\_ Date: \_\_\_\_\_

## Distribution:

Original - Addressee w/atts.  
3 - ER w/att. 3 only  
1 - DDA w/att. 3 only ✓  
1 - IG Chrono w/att. 3 only  
1 - IG Subject w/atts.  
1 - [REDACTED] Chrono w/att. 3  
1 - OGC w/att. 3 only

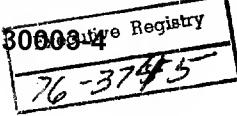
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OIG/ [REDACTED] :aal

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MEMORANDUM FOR: Deputy Director for Administration  
FROM : E. H. Knoche  
Deputy Director of Central Intelligence  
25X1A SUBJECT : [REDACTED] - Payment of  
Home Service Transfer Allowance Claim

25X1A I have reviewed [REDACTED] claim of 22 December  
1975 and have judged it to result from activities arising  
out of the unusual functions of this Agency. You are  
authorized to pay this claim under the provisions of

25X1A [REDACTED]

E. H. Knoche

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Approved For Release 2001/08/27 : CIA-RDP79-00498A000100030003-4

## ROUTING AND RECORD SHEET

JECT: (Optional)

DD/A Registry

File Accounting 3-1

FROM: John H. Waller Inspector General 2 E 24 Hqs.		EXTENSION 6565 <i>(initials)</i>	NO.	
		R-1252	DATE	
TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. Executive Registry ROOM: 7 E 12	20 Oct 76 and			<p>Am sure DDCI will want your opinion on</p> <p>EC/DDA</p> <p>6. DD/A ROOM: 7 D 18</p> <p>7.</p> <p>8. OIG ROOM: 2 E 24</p> <p>9.</p> <p>10.</p> <p>11.</p> <p>12.</p> <p>13.</p> <p>14.</p> <p>Pls advise MR. [REDACTED] of DDCI [REDACTED] approval -</p> <p>30 NOV 1976</p>
2. [REDACTED]				
3. DDCI	21 Oct	10/30	HU	
4.				
5.				
6. DD/A ROOM: 7 D 18				
7.				
8. OIG ROOM: 2 E 24				
9.			25X1A	
10.				
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14.				